Price Increase of 6-APA

643. SHRI LAXMI NARAIN: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that Government have increased the price of 6-APA from Rs. 1230/- per kg. to Rs. 1778 per kg. on 5th March, 1986;

(b) whether it is also a fact that the STC was informed about the price increase by Government much later than the date of the notification;

(c) whether it is also a fact that STC is recovering price difference from the companies for the period for which it had not information about the price increase;

(d) whether it is also a fact that most of the companies involved in this are small Scale Industries units;

(e) whether it is also a fact that these companies bought 6-APA at Rs. 1230/- per kg. with the understanding through a certificate issued by STC that it was the full and final payment; and

(f) whether there were any cases during the last three years in which the STC charged lower price even after the notification for price increase was issued and whether the price difference was recovered later on in these cases?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETRO-CHEMICALS IN THE MINISTRY OF INDUSTRY (SHRI R. K. JAICHANDRA SINGH): (a) Yes, Sir.

(b) to (f) Information to the extent available would be collected and laid on the Table of the Rajya Sabha.

Import duty on Penicillin-G

644. SHRI LAXMI NARAIN: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that Government have reduced the import duty on penicillin-G to zero from 17th January, 1986;

(b) whether it is also a fact that the price of 6-APA of Rs. 1778 per kg. announced on 5th March, 1986 assumes the ratio of 30 per cent local and 50 per cent imported Penicillin-G;

(c) whether it is also a fact that the distribution policy for imported/indigenous penicillin-G was announced almost one month later i.e. on 2nd April, 1986;

(d) if so, what quantity of penicillin-G has been imported on zero duty without any linkage to the purchase of local penicillin-G; and

(e) whether Government are aware that huge profits/gains are likely to be made by the licence holders in this regard and if so, what steps Government have taken to ensure the recovery of this wind fall profits/gains?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETRO-CHEMICALS IN THE MINISTRY OF INDUSTRY (SHRI R. K. JAICHANDRA SINGH): (a) Customs Duty on Imports of Potassium Penicillin G/V 1st Crystals required for the production of 6-APA, 7-ADCA and 7-ACA was reduced to zero percent w.e.f. 17th January, 1986.

(b) Price of 6-APA was fixed on 5th March, 1986 based on Penicillin-G 1st Crystals price which was worked out on the basis of average price in the ratio of 70 percent imported and 30 per cent indigenous.

(c) It was made clear to the manufacturers of 6-APA on 2nd April, 1986 that future imports of Potassium Penicillin G/V 1st Crystals required for the production of 6-APA would only be allowed if Penicillin 1st Crystals are utilised in such production in the ratio of 70 per cent imports 30 per cent indigenous production.

(d) and (e) While granting import licences for Potassium Penicillin G/V 1st Crystals it is ensured that 6-APA producers have procured this intermediate in the stipulated ratio.

Economy drive in Coal India Limited

645. SHRIMATI KRISHNA KAUL: Will the Minister of ENERGY be pleased to state:

(a) whether it is a fact that the Coal India Limited has undertaken an economy drive to cut down losses from Rs. 325 crores to Rs. 180 crores; and

(b) if so, what are the details thereof?

THE MINISTER OF ENERGY (SHRI VASANT SATHE): (a) and (b) All out efforts are being made to reduce cost of production and effect economy in Coal India Limited by better utilisation of men and machinery, better inventory control, reduction in administrative expenses, increase in productivity by introduction of better management practices and technology. These efforts are likely to result in an all round saving of about Rs. 100 crores during the year 1986-87.

Clearance to Reliance Industries to import capital goods without seeking MRTP clearance

646. SHRI SHARAD YADAV: Will the Minister of INDUSTRY be pleased to state:

(a) whether it is a fact that the Reliance Industries Ltd., obtained clearance for importing capital goods and for tie up foreign collaboration, not only for PTA (Purified Terephthalic Acid) but also for other units to make Paraxylene and Benzene without seeking or obtaining licence or MRTP clearance; and

(b) if so, under what circumstances such a clearance was given to the Reliance Industries Ltd. without the fulfilment of the requirements before the grant of clearance?

THE MINISTER OF STATE IN THE DEPARTMENT OF CHEMICALS AND PETRO-CHEMICALS IN THE MINISTRY OF INDUSTRY (SHRI R. K. JAICHANDRA SINGH): (a) and (b) An Industrial Licence has been issued to M/s. Reliance Industries Ltd. for the manufacture of Purified Terephthalic Acid (PTA). Paraxylene is an intermediate for manufacture of PTA. No separate industrial licence is required for manufacture of paraxylene as it is for captive consumption. However the unit obtained MRTP clearance from the point of investment for manufacture of paraxylene for captive consumption.

Approvals for import of capital goods and for foreign collaboration for manufacture of paraxylene for captive consumption were given in accordance with the procedure prevalent at that time.

Shortage of acitrom

647. SHRI KRISHNA KUMAR BIRLA: Will the Minister of INDUSTRY be pleased to state:

(a) whether Government are aware of the persistent acute shortage of the life saving drug Acitrom, endangering the lives of thousands of persons who have undergone heart surgery for valve replacement all over the country;

(b) if so, what is the difference between the demand and supply of